

COOK, YANCEY, KING & GALLOWAY

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April 20, 2007

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When calling relative to this
matter, refer to file No. 1363.

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

Re: Cotton Valley Formation,
Reservoir C
Gray Sand, Reservoir A
Sugar Creek Field
Claiborne and Lincoln Parishes, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Cotton Valley Formation, Reservoir C, and the Gray Sand, Reservoir A, in the Sugar Creek Field, Claiborne and Lincoln Parishes, Louisiana:

1. To authorize KCS Resources, Inc. to drill, complete and utilize a substitute unit well for CV RC SUA at the exceptional location shown on the attached plat;
2. To authorize KCS Resources, Inc. to drill, complete and utilize a substitute unit well for GRAY RA SUA at the exceptional location shown on the attached plat;
3. To determine that there is a need for substitute unit wells for the Cotton Valley Formation, Reservoir C, and the Gray Sand, Reservoir A, as proposed, to efficiently and effectively recover hydrocarbons underlying the units for these reservoirs which cannot otherwise be recovered from any existing well located on said units;
4. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Cotton Valley Formation, Reservoir C, in the Sugar Creek Field, Claiborne and Lincoln Parishes, Louisiana, was defined in Office of Conservation Order No. 23-P-3, effective November 3, 1981.

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The Gray Sand, Reservoir A, in the Sugar Creek Field, Claiborne and Lincoln Parishes, Louisiana, was defined in Office of Conservation Order No. 23-R, effective January 23, 1981.

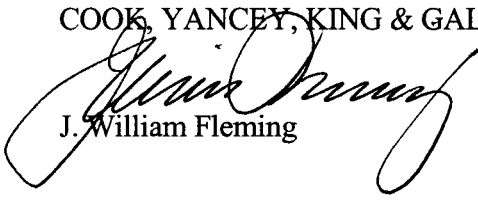
The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Ron Tuminello, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The list of parties attached to the copies of this application being sent to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, the list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Enclosed with the copy of this application being sent to the Commissioner of Conservation is a check for the application fee.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY



J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Ron Tuminello
Mr. Craig Barclay

R 5 W

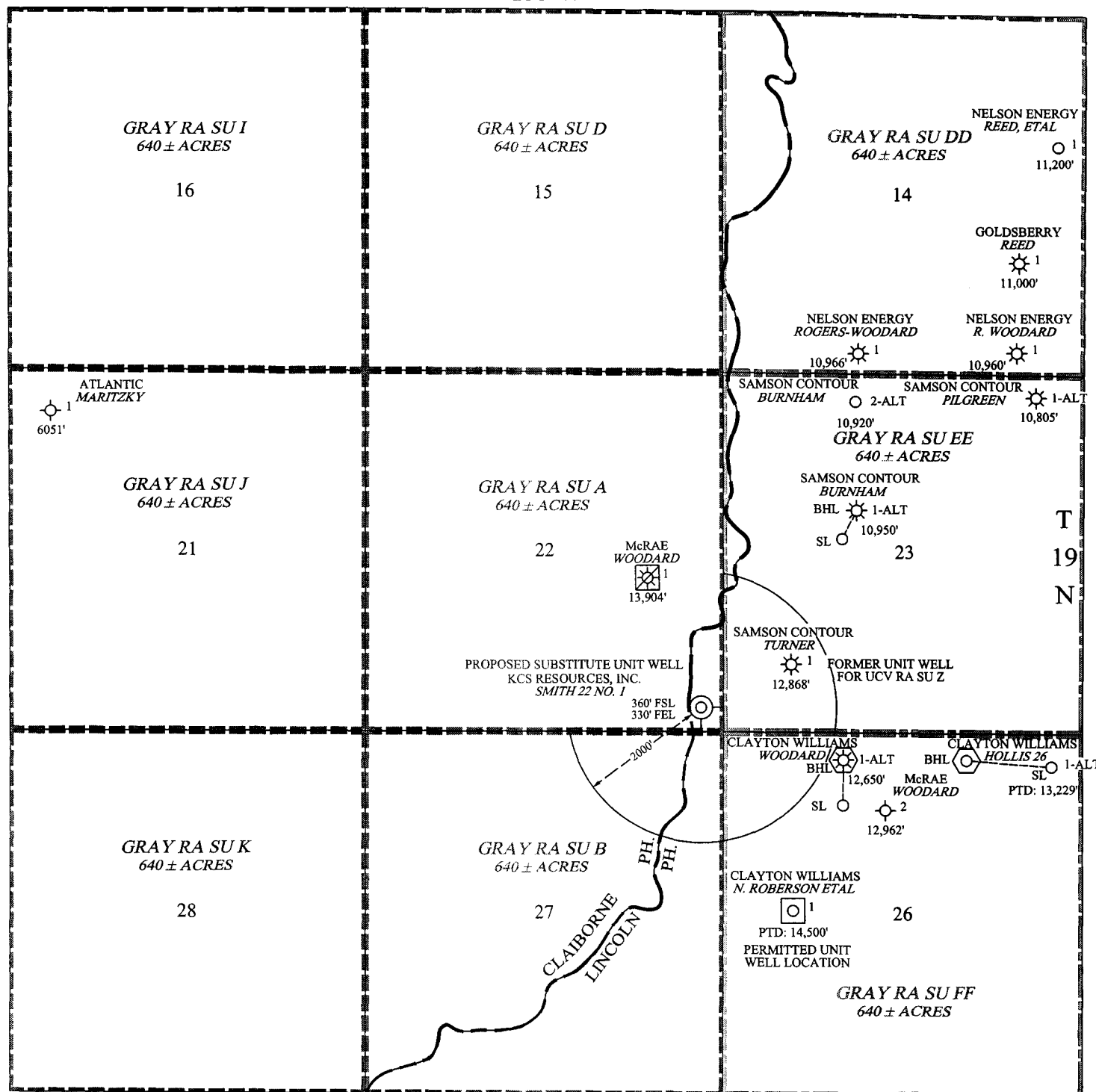


EXHIBIT NO. 1

DOCKET NO. _____

KCS RESOURCES, INC.

TULSA, OKLAHOMA

SUGAR CREEK FIELD

LINCOLN AND CLAIBORNE PARISHES, LOUISIANA

PROPOSED SUBSTITUTE UNIT WELL AT EXCEPTIONAL LOCATION
FOR GRAY RESERVOIR A SAND UNIT A

